BLUE CROSS OF NORTHEAST OHIO

FINANCIAL AND STATISTICAL STATEMENTS

DECEMBER, 1969

 $\underline{C} \ \underline{O} \ \underline{N} \ \underline{D} \ \underline{E} \ \underline{N} \ \underline{S} \ \underline{E} \ \underline{D} \qquad \underline{C} \ \underline{O} \ \underline{P} \ \underline{Y}$

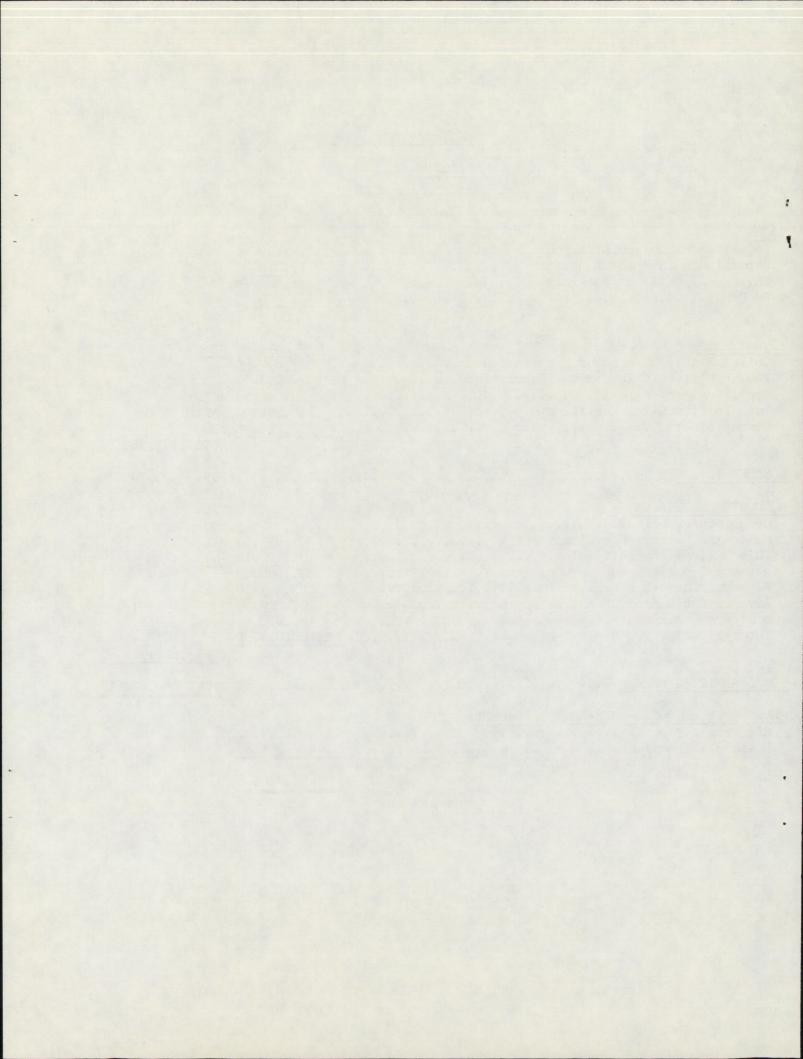
BOARDS

MRA 9368.42 B6257



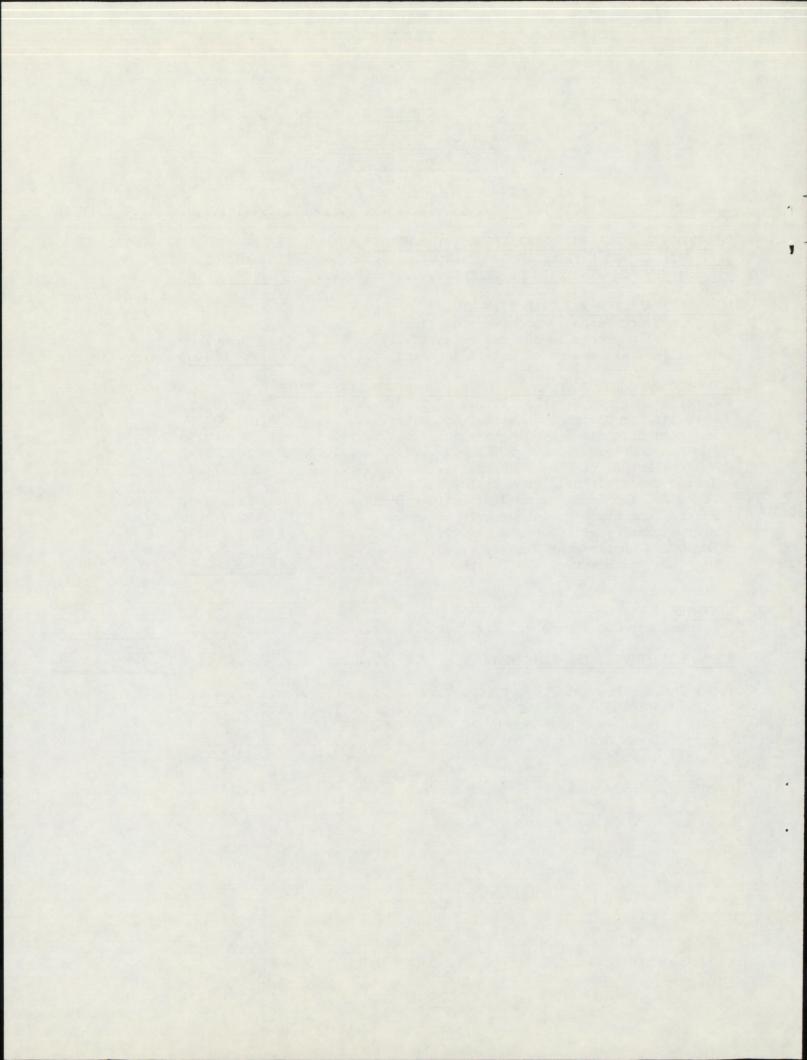
ASSETS December 31, 1969

Deposits in Commercial Accounts - Not at Interest. Deposits in Investment Account Savings Deposits at Interest. On Hand.	\$ 3,874,202.55 19,034.89 6,582.28 750.00	\$ 3,900,569.72
United States Government Securities. Public Utility & Industrial Securities Certificate of Deposit. Loan Participation Certificate Common Stock.	17,577,094.96 11,272,009.81 530,000.00 150,000.00 252,256.06	29,781,360.83
		2,,101,500,05
ACCRUED INTEREST		399,785.06
ACCOUNTS RECEIVABLE Group Subscribers Medical Mutual of Cleveland, Inc. Ohio Medical Indemnity, Inc. Advance Deposit - Health Care Mutual Advances for other Service Plans Advance for Shared Computer Program Medicare - Administrative Expense Inter-Plan Service Benefit Bank.	11,318,007.46 94,639.54 101,121.18 75,000.00 621,334.18 62,829.59 48,698.59 1,296,874.02	13,618,504.56
TOTAL ADMITTED ASSETS		\$47,700,220.17
MEMORANDUM ACCOUNT - NON-ADMITTED ASSET: Air Travel Deposit. Leasehold Improvements	425.00 457,395.88 \$ 457,820.88	
	φ 471,020.00	



LIABILITIES AND RESERVES December 31, 1969

UNEARNED INCOME (LEGAL RESERVE)	\$ 7,628,409.02
DUE HOSPITALS FOR ACCRUED BILLINGS, INCOMPLETE, UNDISCHARGED AND UNREPORTED CASES. \$15,618,806.52 LESS: CURRENT FINANCING DEPOSITS. 4,479,078.87	11 120 707 65
DUE HOSPITALS FOR ADJUSTED PAYMENTS Payments (or Refunds) required to adjust tentative payments to audited rates	11,139,727.65
Less: Partial Payment of Rate Adjustment 9,467,028.07 ACCOUNTS PAYABLE, ACCRUED ACCOUNTS, AND OTHER LIABILITIES	9,463,039.02
General Accounts Payable	4,430,273.40
RESERVES Reserve for Contingencies	15,038.771.08
TOTAL LIABILITIES AND RESERVES	\$47,700,220.17
Total Persons Protected	1,775,411 \$8.47
Hospital and Administrative Expense	1.46



STATEMENT OF INCOME AND EXPENSE January 1 to December 31, 1968 (Revised) and 1969

INCOME	REVISED YEAR 1968	YEAR 1969
Earned Income from Subscribers	\$106,771,720.12	\$120,251,524.54
EXPENSE		
Administrative Expense	3,807,803.39	4,399,585.26
HOSPITAL SERVICES	102,963,916.73	115,851,939.28
Estimated Incurred Claims for Hospital		
Care at Tentative RatesAdjustment to Estimated Audited Hospital	98,233,700.00	114,391,300.00
RatesAdjustment of Hospital Payments	9,687,808.96(A)	9,410,300.00
1963 - 1966	1,948,962.20	-0-
Total Hospital CostsLess: Refunds covering Compensation	109,870,471.16	123,801,600.00
Claims, Coordination of Benefits, etc	333,424.38	431,720.99 123,369,879.01
TO RESERVES-FROM SUBSCRIBER INCOME	-6,573,130.05	-7,517,939.73
OTHER INCOME AND ADJUSTMENTS Income from Investments	1,597,694.32	3 711 995 00
Leasehold Improvements (Non-Admitted Asset)	-408,434.80	1,744,885.00
Amortization - Leasehold Improvements	15,409.36	51,239.49
	1,204,668.88	1,152,356.52
NET REDUCTION OF RESERVES	\$ -5,368,461.17(A)	\$ -6,365,583.21

⁽A) Revision to Year 1968 - Increase in Hospital Services of \$5,715,808.96 due to change in provision for Adjustment to Estimated Audited Hospital Rates from \$3,931,000.00 to \$9,687,808.96.

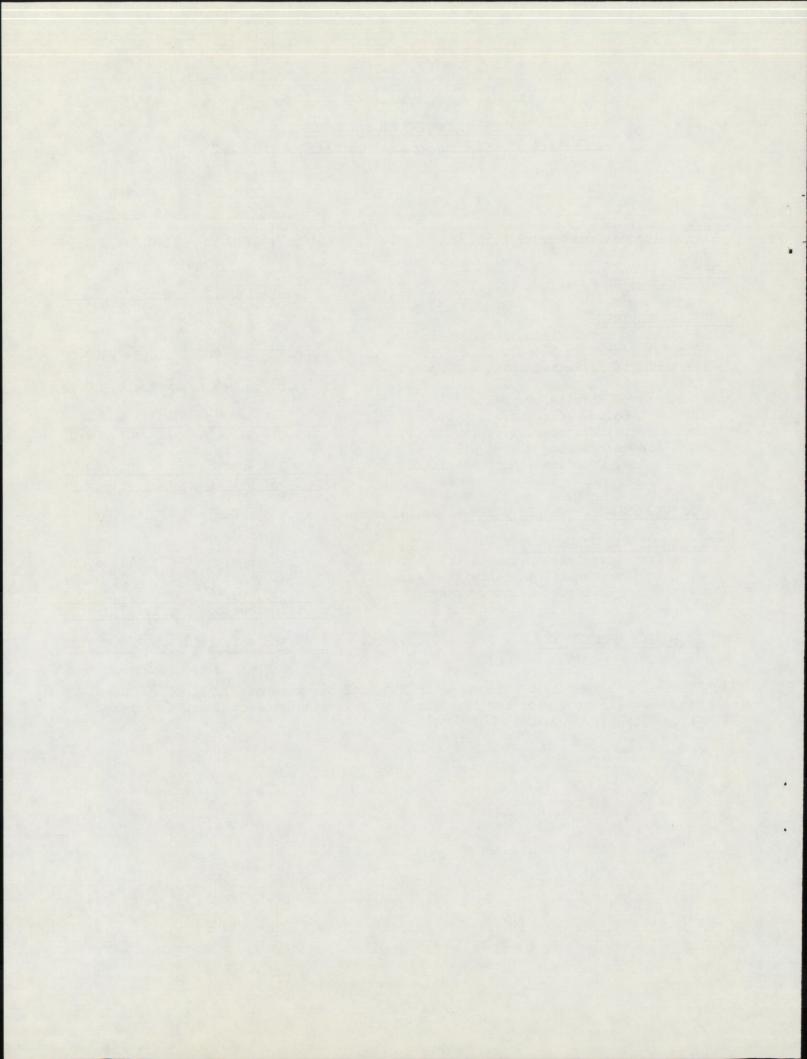
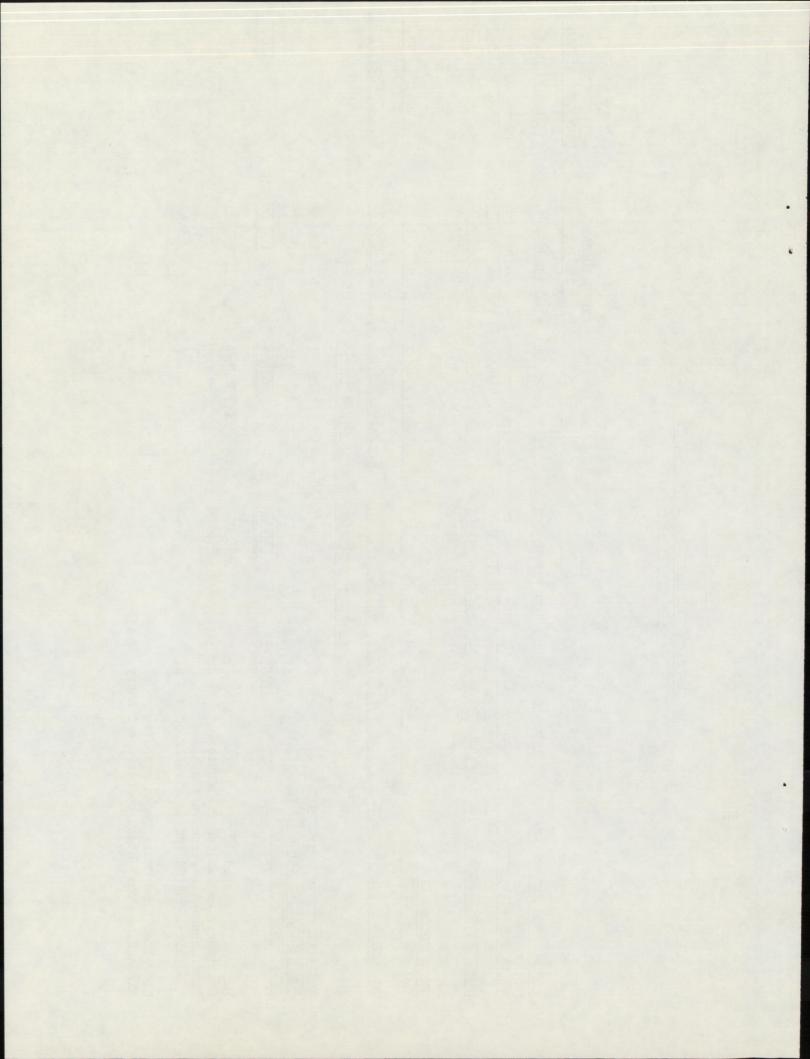


EXHIBIT 20

STATEMENT OF OPERATIONS - 1934 TO DATE December 31, 1969

	1934-1966	YEAR 1967	YEAR 1968	YEAR TO DATE 1969	JULY 1, 1934 TO DECEMBER 31, 1969
INCOME FROM SUBSCRIBERS	\$1,113,916,384.38	\$99,728,713.53	\$106,771,720.12	\$120,251,524.54	\$1,440,668,342.57
ADMINISTRATIVE EXPENSE HOSPITAL SERVICES INCURRED	34,142,486.54 1,079,773,897.84 1,066,837,022.11 12,936,875.73	3,195,262.00 96,533,451.53 90,514,583.67 6,018,867.86	3,807,803.39 102,963,916.73 109,537,046.78 -6,573,130.05	4,399,585.26 115,851,939.28 123,369,879.01 -7,517,939.73	45,545,137.19 1,395,123,205,38 1,390,258,531.57 4,864,673.81
OTHER INCOME LESS OTHER DEDUCTIONS	6,569,703.91	1,247,367.96	1,204,668.88	1,152,356.52	10,174,097.27
TO CONTINGENCIES RESERVE	\$ 19,506,579.64	\$ 7,266,235.82	\$ -5,368,461.17	\$ -6,365,583.21	\$ 15,038,771.08
	PERCENTA	PERCENTAGE DISTRIBUTION OF	SUBSCRIBER INCOME		
HOSPITAL SERVICES INCURRED ADMINISTRATIVE EXPENSE CONTINGENCIES RESERVE	95.77 3.07 1.16 100,00	90.76	102.59 3.57 -6.16 100.00	102.59 3.66 -6.25 100.00	96.50 3.16 .34 100.00
Persons Protected Contingencies Reserve Per Capita	1,674,791 Capita \$11.64	1,686,026	1,772,264	1,775,411	
Hospital and Administrative Expense	ive Expense 2.92	3.15	2.27	1.46	

Cleveland Blue Cross began operations July, 1934. Akron Blue Cross began operations January, 1937.



SUBSCRIBERS December 31, 1969

			BLUE CROS		CTED(A) SERVICE FAMILY	COMBINED	SERVED(B)	TOTAL
PERSON	S PROTECTED	AND SERVED						
Addi	ious Month tions f this Date.		153,251 13 ⁴ 153,385	191,453 - 584 190,869	1,430,360 797 1,431,157	1,775,064 347 1,775,411	48,234 551 48,785	1,823,298 898 1,824,196
CONTRA	CTS							
Previous Month		153,251 134 153,385	191,453 -584 190,869	366,841 206 367,047	711,545 -244 711,301	18,590 319 18,909	730,135	
			AT E	END OF CAI	LENDAR YEAR			
YEAR	PROTECTED	PERSONS	3	EAR	PROTECTED(PERSONS		SONS VED(B)
1934 1935 1936 1937 1938 1939 1940 1941 1942 1943 1944 1945 1946 1947 1948 1949 1950	3,220 18,473 42,500 91,654 116,974 171,212 238,027 304,808 322,284 369,350 399,731 401,889 473,163 489,381 490,775 493,275 542,807	3,220 18,473 42,500 91,654 173,944 316,425 464,979 617,294 697,595 786,387 854,274 870,241 1,036,063 1,083,538 1,102,656 1,130,716 1,258,858	(c)	.951 .952 .953 .954 .955 .956 .957 .958 .959 .960 .961 .962 .963 .964 .965 .965	566,388 599,716 625,723 634,535 662,865 670,460 674,141 666,132 683,681 672,701 663,820 651,235 643,245 646,084 655,254 688,713 667,585 705,387	1,351,566 1,434,332 1,557,370 1,581,975 1,697,557 1,733,542 1,778,509 1,770,623 1,825,097 1,801,331 1,780,567 1,742,035 1,710,422 1,719,330 1,728,436 1,674,791 1,686,026 1,772,264	43, 43, 43, 68, 72, 74, 71, 79,	870 870 507 885 518 096 366

(A) Persons are considered protected if B.C.N.O. has issued the contract to the subscriber.

- (B) Persons are considered served if another Blue Cross Plan has issued the contract to the subscriber under a National Plan and B.C.N.O. has agreed with the Plan to service the hospital benefits for the local subscribers.
- (C) Medicare effective July 1, 1966.

